## **Housing and Urban Development Allocation FACTS**

- Housing and Urban Development Agency announced on Friday, September 26, 2008, the allocations
  of nearly \$4 billion (\$3.92 billion) to stabilize neighborhoods to states and local communities hit-hard
  by foreclosure. This money targets already foreclosed upon properties.
- City of Reno did not receive a direct allocation. In fact, no other Nevada city outside of Clark County received a direct allocation.
- The state of Nevada will receive almost \$72 million
  - --More than \$47 million of that amount is directed to four southern NV jurisdictions:

Clark County: \$22,829,062 Las Vegas: \$14,775,270 North Las Vegas: \$6,837,736 Henderson: \$3,205,044

- \$24,287,240 was allocated to the State of Nevada. Other jurisdictions in the state, including Reno, can apply for these funds through a process that is now being developed.
- HUD based the allocations on
  - 1) The number and percentage of home foreclosures in each state or unit of general local government.
  - 2) The number and percentage of homes financed by subprime mortgages in each State or unit of general local government.
  - 3) The number and percentage of homes in default or delinquency in each state or unit of general local government.
- In Clark County 1 in 22 homes have either been foreclosed upon or are facing foreclosure. In Reno the rate is 1 in 39.
- HUD will have 30 days to distribute the funds to eligible jurisdictions, which in turn will have 18 months to utilize them.
- The City of Reno is already implementing an action plan to assist distressed homeowners in our City:
  - 1) Work with the state to secure as much funding from the state allocation as possible.
  - 2) The City already allocated \$14.7 million dollars from a tax exempt bond and is working in partnership with the Nevada Housing Division and participating lenders for the purpose of reoccupying foreclosed homes and re-financing at risk loans. The program was initially established to help first time homebuyers but now also addresses this issue.

Homeowners seeking more information about this program can visit the Nevada Housing Division website at:

http://nvhousing.state.nv.us/First%20Time%20Homebuyer%20Program/First%20Time%20HB%20index.htm

3) The City of Reno will continue working with the Nevada Congressional delegation and conduct public workshops to connect distressed homeowners to the resources available through the federal HOPE for Homeowners Act of 2008.